



Jerry Duncan
Councilmember
District 6

January 9, 2007

TO: Fresno City Council

FROM: Jerry Duncan

RE: Resolution of Intention to Adopt Major Street Impact Fees

In December, the Council gave direction to go forward with preparation of a resolution of intent to adopt new street impact fees and present that to Council. The attached resolution establishes the City's intent to adopt street impact fees based on the minimum street infrastructure needed to implement the 2025 General Plan.

The purpose of the resolution is to allow the City to approve the Major Street Impact Fees at a subsequent Council meeting to afford the City the ability to impose the fee on subsequent vesting tentative tract maps as long as they meet certain criteria.

The new fees are based upon a methodology of Average Daily Trips (ADT) and represent an analysis that attempts to apply the fees proportionately for infrastructure development based upon the proportionate impacts from a given development.

The proposed capital improvements to be built from these revenue are \$153 million in regional street infrastructure and \$283.5 million in major street infrastructure predicated on the goals, objectives, policies, circulation element, and mitigation measures of the 2025 General Plan. The collection of the proposed impact fees on all new development on a citywide basis allows for those roads that are locally regionally significant (expressways, super arterials and 6-lane arterials) to be constructed to mitigate the impacts associated with new development.

It is important that the City Council consider the attached resolution to assure that in the future, the City is able to impose this fee on the above-referenced tract maps.

CITY OF FRESNO

RESOLUTION NO. _____

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FRESNO
EXPRESSING THE CITY'S INTENT TO ADOPT A CITYWIDE IMPACT FEE FOR LOCAL
REGIONALLY SIGNIFICANT MAJOR STREETS AND AN IMPACT FEE BASED ON
QUADRANTS FOR LOCAL MAJOR STREETS TO IMPLEMENT THE GOALS, OBJECTIVES AND
POLICIES OF 2025 GENERAL PLAN**

RECITALS

WHEREAS, the City currently imposes UGM Fees for Major Street, Major Bridges and At-grade Railroad Crossings Fees. And a City-wide traffic signal impact fee upon new development under its Urban Growth Management ("UGM") Program (FMC §11-226-228); and

WHEREAS, the purpose of the UGM Major Street, Major Bridges and At-grade Railroad Crossings and City-wide Traffic Signal impact fees are to generate revenue to construct street improvements, bridges, railroad crossings, traffic signals and other improvements to provide safe and effective traffic circulation to serve new development within the UGM areas and city-wide for traffic signals, to reimburse developers for constructing oversize facilities and to administer the program; and

WHEREAS, the UGM Major Street, Major Bridges and At-grade Railroad Crossings Fees were increased for inflation in 2004 and the traffic signal impact fee amended to reflect previous capital needs and 2005 construction costs, however, the revenues generated from the fees do not reflect the infrastructure needed to implement the 2025 General Plan, the actual costs of providing street improvements and associated improvements to serve, and address the impacts of new development; and

WHEREAS, the General Plan establishes policies, goals, objectives and mitigation measures necessary to promote and provide a safe and effective surface street transportation system; and

WHEREAS, the City has conducted numerous meetings with the Building Industry Association and various interested Stakeholders to receive testimony and input on the proposed fees; and

WHEREAS, the City Commissioned MuniFinancial to prepare a study to recommend a financial program to finance the regionally significant major street and local quadrant major street infrastructure consistent with the City's requirements in the General Plan; and

WHEREAS, MuniFinancial recently completed a study ("the MuniFinancial Study"), and it recommends:

- a. That the City adopt a fee to require property owners and developers to pay a fee to fund the costs of necessary infrastructure improvements related to Citywide and local major streets; and
- b. That, rather than applying solely in the Urban Growth Management areas, the regional street fee apply Citywide and the local major street fee apply in defined quadrants and.

WHEREAS, the MuniFinancial Study, attached hereto as Exhibit "A," calculates the amount of the proposed fees;

WHEREAS, the Building Industry Association and various Stakeholders have recommended to City staff that a Resolution of Intent to establish new and increased fees be adopted by the City Council

WHEREAS, the City desires to continue to provide and maintain a safe and effective transportations circulation system for the benefit of the residents of Fresno; and

WHEREAS, The City Council desires to express its intent to adopt new updated major street impact fees,

NOW THEREFORE, be it resolved that:

- 1) The City intends, as soon as reasonably possible consistent with applicable law, to;

- a. Adopt an ordinance under California Government Code sections 66000-66025 to require all new development to pay street impact fees ; and
 - b. Adopt a resolution or ordinance imposing a locally regionally significant major street impact fee on new development citywide; and
 - c. Adopt a resolution or ordinance imposing a local major street impact fee on new development in geographical quadrants; and.
- 2) Based on the information, analysis, and calculations set forth in the MuniFinancial Study, the City anticipates that:
- a. The major street impact fee for those portions of the City not in either the Northeast Quadrant, the South East Quadrant, the Southeast Quadrant, and the Southwest Quadrant (*Citywide*), all as depicted in Figure 1 of the MuniFinancial Report will be as follows:

Land Use Designation	Fee Amount
Multi-family residential	\$1090 per dwelling unit
Single-family residential	\$1362 per dwelling unit
Commercial	\$2.73 per square foot or \$63.48 per average daily trip
Office	\$2.23 per square foot or \$111.38 per average daily trip
Industrial	\$0.78 per square foot or \$111.38 per average daily trip

- b. The major street impact fee for those portions of the City in the *Northeast Quadrant* (as depicted in Figure 1 of the MuniFinancial Report) will be as follows (which amount includes city wide regional street component set forth above):

Land Use Designation	Fee Amount
Multi-family residential	\$3711 per dwelling unit
Single-family residential	\$4639 per dwelling unit
Commercial	\$8.30 per square foot or \$192.96 per average daily trip
Office	\$6.77 per square foot or \$338.53 per average daily trip
Industrial	\$2.37 per square foot or \$338.53 per average daily trip

- c. The major street impact fee for those portions of the City in the *Northwest Quadrant* (as depicted in Figure 1 of the MuniFinancial Report) will be as follows (which amount includes city wide regional street component set forth above):

Land Use Designation	Fee Amount
Multi-family residential	\$5553 per dwelling unit
Single-family residential	\$6941 per dwelling unit
Commercial	\$14.49 per square foot or \$337.03 per average daily trip
Office	\$11.83 per square foot or \$591.28 per average daily trip
Industrial	\$4.14 per square foot or \$591.28 per average daily trip

- d. The major street impact fee for those portions of the City in the *Southeast Quadrant* (as depicted in Figure 1 of the MuniFinancial Report) will be as follows (which amount includes city wide regional street component set forth above):

Land Use Designation	Fee Amount
Multi-family residential	\$5799 per dwelling unit
Single-family residential	\$7249 per dwelling unit
Commercial	\$15.09 per square foot or \$350.89 per average daily trip
Office	\$12.31 per square foot or \$615.60 per average daily trip
Industrial	\$4.31 per square foot or \$615.60 per average daily trip

- | Land Use Designation | Fee Amount |
|---------------------------|---|
| Multi-family residential | \$7606 per dwelling unit |
| Single-family residential | \$9508 dwelling unit |
| Commercial | \$20.85 per square foot or
\$484.89 per average daily trip |
| Office | \$17.01 per square foot or
\$850.68 per average daily trip |
| Industrial | \$5.95 per square foot or
\$850.68 per average daily trip |

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STATE OF CALIFORNIA)
COUNTY OF FRESNO) ss.
CITY OF FRESNO)

AYES :
 NOES :
 ABSENT :
 ABSTAIN :

BY: _____
Deputy

BY: _____